

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

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August 5, 2003

Re: Our File Number LR-03-133; Tax status of infrared thermographic scanning services

Dear

This is in response to your request for a ruling as to whether your services of thermographic scanning of primarily electrical or mechanical systems are taxable. I have scanned your fact scenario into this letter, followed by our response.

performs infrared thermographic scanning primarily of electrical systems to detect hot spots, loose or poor connections, or load imbalances. Infrared thermography is also used to check bearings on motors, detect wet insulation in flat roofs of buildings, and check hydraulic and boiler systems. We also perform energy audits of residential and commercial buildings to detect poor insulation and air leakage. The still or video images are captured by the infrared camera and then transferred to a report that is given to the customer after the scan is performed.

This type of service is not one of the enumerated services for which a sales tax is levied. However, persons engaged in selling these services are considered to be the consumer/user and should pay sales or use tax on materials, supplies and equipment purchased for use in their business. Please see enclosed Rule 710:65-1-7.

This response applies only to the circumstances set out in your request of June 26, 2003. Pursuant to Commission Rule 710:1-3-73(e), this Letter Ruling may be generally relied upon **only** by the entity to whom it is issued, assuming that all pertinent facts have been accurately and completely stated, and that there has been no change in applicable law. If I can be of further assistance, please feel free to contact me.

Sincerely,


Brenda J. Sullivan